

LB 611 on General File notwithstanding the Committee action. Senator Warner's motion is found on page 1079 of the Journal.

PRESIDENT: Senator Warner.

SENATOR WARNER: Mr. Chairman and members of the Legislature, place the motion to place LB 611 on General File notwithstanding the Committee action for a couple of reasons. First it was to provide an opportunity to discuss with you some of the budget problems that we will be facing, more importantly to provide opportunity for some options that the Legislature may find necessary to do in order to stay within the cost, particularly in this area, that has been anticipated. I had passed out to you two or three things, which I hope you would look at just briefly at least. The first is a story indicating the issue of trying to curb some of the Medicaid costs as a national issue, one that most states are trying to grapple with, also that Congress has done so as well, having provided the last couple of years greater flexibility for those states to try and curb some of the costs should they chose to do so. If you look at the second page of the handout it shows the percentage change that the different types of services that we provide have gone through, the percentage increases over the last fiscal year since the 79 fiscal year. The next table shows the dollar amount of increases which have been occurring. The fourth page is perhaps the most significant that you might want to look at. The fourth page shows the appropriations and the expenditures beginning in. . . for the completion of the fiscal year 78-79 and you will see where last year the deficiency at June 30th in the General Fund was 4.6 million which essentially was handled by transfers from other programs which the department had the ability to do and because some of those other programs had a lesser, a lesser cost than anticipated they were able to handle the issue. Did you also notice that on June 30, for 1983 there is projected almost a 2½ million short fall of General Fund money and in brief visits this morning with the Governor's office as well as with the Director of the Department of Social Services they indicated that in all probability they will have to go to prorating authorized by this Legislature last year and the ramifications of that are genuine because it is my understanding, at least, that some states where they have used the prorating they have ended up with court injunctions prohibiting that route. Now should that occur in Nebraska and I don't know that it would, but if it did, then you are looking at a flat deficit appropriation that we are not now anticipating. A portion of that